

# City of Bedford

## City Council Regular Meeting

January 16, 2024

7:00 P.M.

### *Minutes*

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*Prayer: Ryan Griffith*

*Pledge of Allegiance: Judy Carlisle*

*Call to Order: Mayor Samuel J. Craig*

The Common Council of the City of Bedford, Indiana met for a Regular City Council Meeting on January 16, 2024, at 7:00 P M at Stonegate Arts & Education Center. Honorable Mayor Samuel J. Craig presided and called the meeting to order.

#### ***Members in attendance:***

- Judy Carlisle
- Ryan Griffith
- Kathy Blackburn
- Brad Bough
- Larry Hardman
- Dan Bortner
- Heath Hawkins

#### **Reading/Approval of Minutes:**

December 18, 2023 – Regular Meeting

January 4, 2024-Special Meeting

- Larry Hardman made the motion to approve the minutes,
- Ryan Griffith seconded the motion,
- ***All votes were in favor of the motion. No One Opposed, Passed***

## New Business

### 1. Families Forever Update-John Kessler

- John Kessler provided the council with an update on the Families Forever projects they are working on with the funds the city provided in 2023.
- Truancy Prevention
- Mentoring NLCS & MCS youths
- Domestic violence prevention.
- Case Management
- Rural Youth Mental Health
- All services are done for free.
- They work with DCS and Probation.
- Mr. Kessler would like the council to keep them in mind for additional funding.

### 2. Ordinance 1-2024- amending Section 152.52 -Street and Road Paragraph (L) Sidewalks of Beford City Code-David Flinn

- David Flinn requested the council amend the sidewalk size requirement for new construction from 4 feet to 5 feet.
- This is for new construction only and is the new standard.
- Any existing sidewalks should be the original size.
- Councilman Griffith asked about enforcement and David Flinn stated this will be the same as road inspections.
- Councilmen Bough expressed his concern over the size of the sidewalks and keeping the children away for the street.
- David Flinn states that there is a tree plat of grass between the sidewalk and street.
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- Brad Bough made the motion for the first passage of Ordinance 1-2024
- Heath Hawkins seconded the motion,
- Larry Hardman made the motion for second passage of Ordinance 1-2024
- Judy Carlisle seconded the motion.
- ***Third and final passage of ordinance 1-2024 will be at the next meeting.***

### **3. Ordinance 2-2024 -Amending Animal Control Ordinance 91.13 (Impoundment)- Denise Henderson**

- Denise Henderson stated that the animal control ordinance needs to be updated to include a new policy that the Board of Works approved.
  - The city purchased a chip reader for animals. This will allow the animal control officer to unify the owner with their pets if the pets are chipped.
  - Currently the animal control officer takes the pet to the local shelter.
  - With the new policy, it allows the officer to scan the pet and attempt to locate the owner as the first step.
  - The Street department has an inside kennel for temporary use to give the officer time to locate the owner.
  - In order for the new policy to be in effect, the Ordinance needs to be passed. The current Ordinance supersedes the new policy.
- Dan Bortner made the motion for first passage of Ordinance 2-2024
  - Ryan Griffith seconded the motion,
  - Heath Hawkins made the motion for second passage of Ordinance 2-2024
  - Judy Carlisle seconded the motion.
  - Larry Hardman made the motion to suspend the rules and go to the third and final passage of Ordinance 2-2024
  - Judy Carlisle seconded the motion.
  - Brad Bough made the motion to approve the third & final Passage of Ordinance 24-2023
  - Larry Hardman seconded the motion,
  - ***The Third and Final Passage of Ordinance 24-2023, All votes in favor of motion, No one opposed, passed.***

### **4. Ordinance 3-2024-Issuance of 2024 Revenue Bonds-Misty Adams, Brenda Devries (Bose McKinney)**

- Misty Adams addressed the council and reported the timeline of the Spider Creek Project.
- 2009 Spider Creek Project discussion began, 2011 Contracted with Lochmueller to study the systems and the overflows and represent the city with IDEM. 2011 Received a sewer violation from IDEM regarding our sanitary sewer overflows during rain events. 2013 Installed flow meters permanently in all lift stations. 2014 Lochmueller developed a master compliance plan for IDEM. 2016 Received approval of our sewer compliance master plan from IDEM. 2017 Received approval of our sewer capacity operation and maintenance plan. 2018 Approval of our master plan and capacity operation and maintenance plan schedule from IDEM. 2020 Received the projects needed on the west side. 2022 Began planning for the new Spider Creek Lift Station and Storage Tank to hold

the sanitary sewer overflows during rain events. 2023 The design was finished, and the project was bid. The project is set to be complete in 2025.

- The bond issue we are looking at includes the Spider Creek Pump Station and Storage Tank, the Force Main that leads Spider Creek to the 36-inch sewer pipe that will take the sewage to the plant and the East West Sewer line that will include a hookup for the GM Plant.
  - Brenda DeVries-Bose McKinney-Bond Council-Presented a Bond Ordinance that will authorize the project and issuance of the bond.
  - A public hearing will be held on February 20<sup>th</sup>. After that hearing the Bond Ordinance and a Rate Ordinance will be considered.
  - After that, there will be a 20-day objection period for the bond issuance and the sewer rates.
  - If everything passes, the bond closing would be at the end of April.
  - In the Bond Ordinance it states that the project will not exceed \$25,000,000. The estimated cost is 22.4 million dollars.
  - The various sources of funding is as follows: ARPA \$2,982,906.75, RDC \$4,000,000, Regional Economic Acceleration & Development initiative fund \$1,378,755, ROI grant \$250,000, IEDC \$5,000,000 and cash on hand \$1,000,000 with the remaining cost of the project by issuing a sewage works revenue bond not to exceed \$13,450,000. Currently it looks like with the funds put towards the project, the bond is anticipated to be around 7.8 million dollars.
  - The bond timeline options are between 20 to 35 years, with the preference at 20 years with the interest not to exceed 6%. The Redemption of the bond can be 10 years after they are issued.
  - The plan is to finance the bond through the Indiana Finance Authority.
  - The Rate Covenant will establish just & equitable rates for sewer services to pay for the bond. This is addressed in Ordinance 4-2024.
  - All contractors shall be required to furnish surety bonds in the amount equal to 100% of their contract as well as employer's liability and public liability insurance.
  - Mayor Craig requested a motion for one passage of Ordinance 3-2024.
  - Councilman Bortner wanted to clarify that IDEM is over water quality and DNR (in which he is director) is over water movement. If this was a DNR issue, Councilman Bortner would abstain.
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- Dan Bortner made the motion for the first passage of Ordinance 3-2024,
  - Ryan Griffith seconded the motion,
  - ***All votes in favor of the motion, No one opposed, second and final passage will be at the February 20, 2024, meeting.***

**5. Baker Tilly Presentation of Sewage Works Post -Project Rate Analysis- Misty Adams, Scott Miller, Mitchell Eschweiler**

- Scott Miller presented the council with the project rate analysis to support the sewer project.
- In the analysis, it shows the Sewer Works Comparison of Fund Balances with Minimum Balances Required.
- When looking at a rate study, we look at current balances, the outstanding debt and how we can continue operations and fund operations and debt.
- A schedule of outstanding combined bond amortization was presented.
- A schedule of estimated project costs and funding was presented. \$22,374,658. Estimated cost per consulting engineers. With an estimated bond issue of \$7,763,000.
- Mr. Miller presented options of a 20 year (4.5% interest at 4.5 million), 25 year (4.65% interest 7.6 million), 30 year (4.75% interest 9 million) and 35 year (4.85% interest 10.4 million).
- When looking at the terms of the bond and the rate, the 20-year bond is recommended.
- When extending the term of the bond, the cost of the bond increases due to the increase of interest rate.
- Four Alternatives for rate increases were presented.
- Alternative 1 has three phases, the other phases have only one phase.
- Alternative 1-Phase one would be effective upon adoption, phase two January 2025 and phase three January 2026.
- Alternative 2-4 would all be effective upon adoption. The rate structure does not allow to push out the dates.
- Alternative 1-Flow charge per 1,000 gallons: Present \$7.73; Phase 1 \$9.74; Phase 2 \$10.32; Phase 3 \$10.94
- Alternative 2-\$10.20 Alternative 3-\$10.20; Alternative 4-\$10.28
- Councilman Griffith wanted to point out that this is not an option. IDEM is requiring the project to be completed. A sewer ban would happen if nothing is done.
- Mayor Craig on the contribution list, a week ago the numbers \$10.7 for the bond. The rates on that amount, we did not think this was doable for our citizens.
- We went back to look at additional funding. RDC today approved an additional 2 million dollars towards the project. And 1 million from the City of Bedford.
- In the meeting in February, we will be asking the Council for the additional \$1,000,000 be appropriated for the project.
- By funding the project, the additional 3 million it lowers the rate to what is shown today.
- Option one looks like the best option based on the interest increase if the years are extended out.
- No one likes to raise rates, but unfortunately IDEM is requiring the work. We have no choice.
- Option one will be \$11.46 with the rate increase in 2024, and additional \$3.31 in 2025 and \$3.53 in 2026 (based on the average 4,000-gallon household)

- The IEDC contribution for 5 million, are READI funds we worked hard on receiving the funds. The ARPA fund was also set aside for this project. The city has worked hard on coming up with the funding for this project. This was a huge project and benefit for our citizens.
- Councilman Griffith stated the two million from RDC is one of the mission statements for the betterment of Bedford and the citizens. Citizens want to know where RDC money goes, and this is one of the projects.
- There will be a presentation at the February meeting as why this has to be done and a public hearing for public input.

**6. Ordinance 4-2024-Establishing New Rates and Charges-Project Rate Analysis-Sewage Works-Misty Adams, Scott Miller, Mitchell Eschweiler**

- With all of the information being presented, Mayor Craig entertained a motion to approve the first passage of Ordinance 4-2024.
- Judy Carlisle made the motion for the first passage of Ordinance 4-2024,
- Larry Hardman seconded the motion,
- *All votes in favor of the motion, No one opposed, second and final passage will be at the February 20, 2024, meeting.*

**7. Discussion**

- Councilman Griffith thanked the Utility and Street Departments for their hard work in the cold weather fixing a water line break.

**8. Adjourn**

- ❖ Judy Carlisle made the motion to adjourn the January 16<sup>th</sup> Council meeting,
- ❖ Brad Bough seconded the motion,
- ❖ *All votes were in favor, No one Opposed, Passed, Meeting Adjourned*

**Bedford City Council 2024**

- *Judy Carlisle, President* \_\_\_\_\_

• *Kathy Blackburn*

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• *Ryan Griffith*

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• *Heath Hawkins*

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• *Dan Bortner*

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• *Larry Hardman*

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• *Brad Bough*

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*Attest: Billie Tumeey*  
*Clerk-Treasurer*

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